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FACT SHEET

- **Leading Alaska based telecommunication company:**
  - Wireless and wireline broadband solutions for Residential Customers as well as Enterprise and Small/Medium Businesses.
    - 850 employees, predominantly in Alaska.

- **Consistent financial performance:**
  - $349M total revenues, $125M EBITDA, $43M FCF.
    - Enterprise Value* of 5.6x Annual EBITDA, Annual dividend of $.20 per share.
    - Diversified revenue stream.

- **Strong record of investment in broadband networks:**
  - Alaska's first 4G LTE wireless network.
    - MPLS/Ethernet statewide, now with upgrades to a VPLS network.
    - The only geographically diverse submarine cables connecting Alaska to the Lower 48.
    - Owned hosting facilities, investor in Alaska's largest privately held IT services firm.

- **Strong and disciplined team:**
  - 2011 Management and Board refresh.
    - Team with strong industry background and a record of disciplined execution.

*Enterprise Value based on stock price of $3.00

STRONG NETWORK CAPABILITIES: BUILT FOR BROADBAND

Wireless coverage

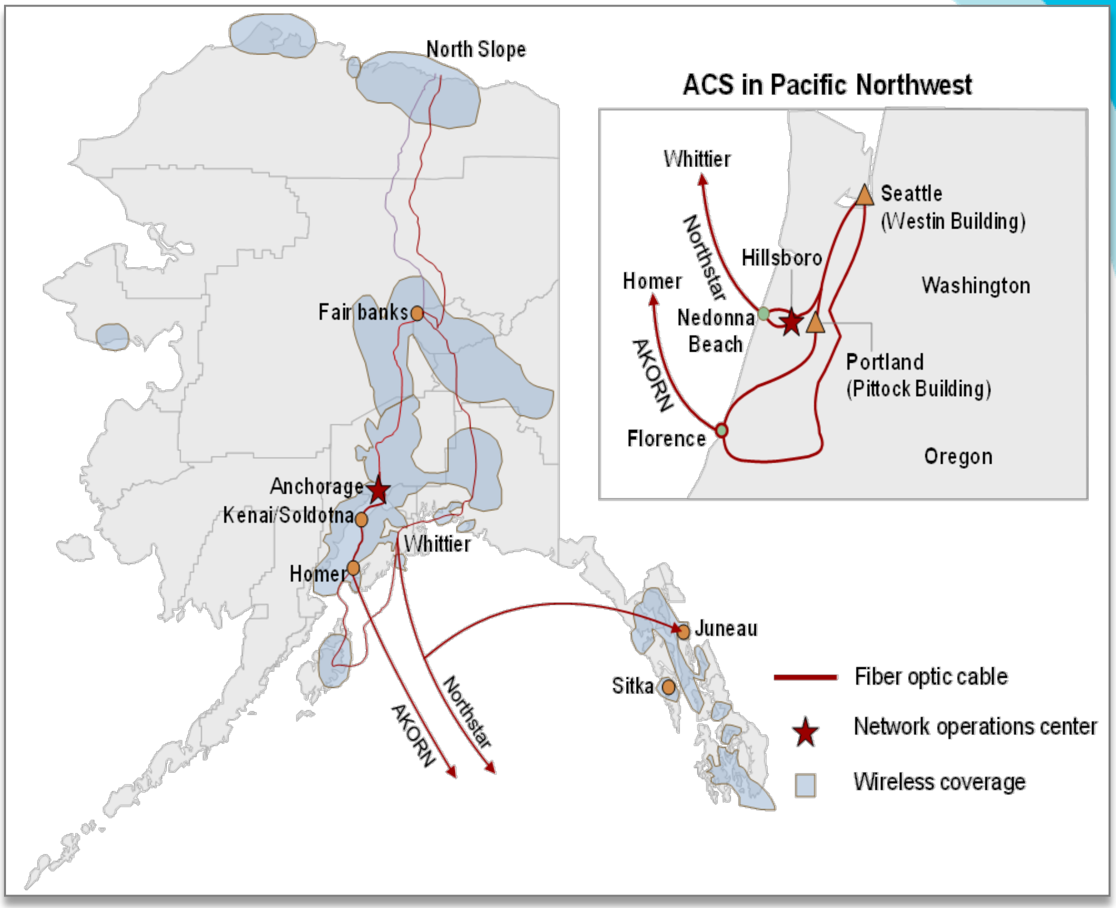
- We cover 85% of Alaska's population; offering high speed wireless data to over 75% of the population
- 75% of our towers are in our wireline footprint giving us owners' economics in backhaul
- Premier US and Canada roaming agreements
- Ample 3G/4G Spectrum
- First 4G LTE in Alaska: Build underway, testing in Q1 2012

Wireline data network

- Statewide MPLS and Metro Ethernet network, upgrading to VPLS in 2012
- > 90% coverage in towns with greater than 5,000 population
- Peering points (Seattle & Portland)

Long Haul Fiber

- Extensive footprint in AK, and connecting to WA and OR
- Redundant Submarine cables – we own and operate 2 of the 4 cables into Alaska; and the only geographically diverse cable system connecting Alaska to the Lower 48



A CASE FOR ACTION: UPDATING OUR BUSINESS PLAN

- In 2011, we discussed the impact of two external events:
  - New Competitor: Verizon Wireless began construction of an LTE network, and recently indicated it would launch service by the end of 2012. This will lead to some erosion of roaming revenue ($38.9M in 2011) and potential loss of retail market share.
  - Regulatory Changes: The FCC's USF reform makes changes to our support revenues ($26.9M of wireless CETC and $21.3M of Wireline high cost support in 2011).

  These revenues will not go to zero – we will continue to get both revenue streams at some reduced levels, with the reductions occurring over several years.

- Benefiting from historically stable performance, we had one of the highest leverage and payout ratios in our industry. Our balance sheet, while having longer term maturities for debt, provides limited flexibility. Both of these are constraints during times of transition.

- We took a fresh look at certain market segments where we had previously participated but had not put management attention. Examples include prepaid wireless and home Internet. Our results indicate significant opportunity for success.

- Our assessment of the market opportunity and our disciplined execution in 2011 gives us confidence going into our business plan.

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